

Amy L. Alvarez
District Manager
Federal Government Affairs

Suite 1000 1120 20<sup>th</sup> Street, NW Washington DC 20036 202-457-2315 FAX 202-263-2601 email: alalvarez@att.com

October 25, 2002

Via Electronic Filing
Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12<sup>th</sup> Street, SW, Room TWB-204
Washington, DC 20554

Re: <u>Application by Verizon for Authorization To Provide In-Region, InterLATA</u>
Services in State of Virginia, Docket No. 02-214

In the Matter of Review of Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers and Implementation of the Local Competition Provisions in the Local Telecommunications Act of 1996, Docket Nos. 01-338; 96-98; 98-147

In the Matter of Appropriate Framework for Broadband Access to the Internet Over Wireline Facilities, Docket Nos. 02-33; 95-20; 98-10

In the Matter of Federal-State Joint Board on Universal Service, CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-116

Dear Ms. Dortch:

On October 24, 2002, Robert Quinn and the undersigned, both of AT&T, met with Jordan Goldstein, Legal Advisor to Commissioner Copps. During this discussion, AT&T explained that Verizon-Virginia fails to provide nondiscriminatory access to directory listings in accordance with checklist item eight and that Verizon's policy for provisioning loops to CLECs constitutes unlawful discrimination, extends to ordinary voice-grade loops (not just DS3 or DS1-grade loops), precludes Verizon's loop rates in Virginia from benchmarking with Verizon's loop rates in New York, and has resulted in non-TELRIC-compliant loop rates. In addition, we discussed switching rate benchmarking and explained why the July 12 Hearing Examiner's Report and the Virginia SCC's August 1 cover letter to the Commission are not lawful orders of the SCC.

During the course of that discussion, we also reiterated AT&T's view that it is impaired in the provision of all telecommunications services to both small/medium business and residential customers without the availability of UNE-P. We also explained that some form of mechanized loop provisioning process was an essential first step before the Commission could contemplate moving to a world without requiring ILECs to provide unbundled local switching. We pointed Mr. Goldstein to the extensive factual

record created by CLECs, including AT&T, on the specifics of the impairment issue and urged that the Commission adopt rules consistent with that record. We also explained that use restrictions commingling limitations on special access circuits that prevent CLECs from converting underlying ILEC facilities to UNEs are prohibited under the Act and should be eliminated.

In regard to the USF proceeding, we advised Mr. Goldstein of AT&T's ex parte filing made on Tuesday, October 25, 2002 and walked through the basic principles of that proposal which supports a per telephone number assessment mechanism. We urged Mr. Goldstein to consider that approach for all of the reasons stated in that ex parte and explained that such an assessment would create a more stable contribution mechanism.

The positions expressed were consistent with AT&T's previously filed comments in the respective dockets. One electronic copy of this Notice is being submitted in each of the above-referenced proceedings in accordance with Section 1.1206 of the Commission's rules.

Sincerely, amyfalvarez

cc: Jordan Goldstein

Janice Myles Uzoma Onyeije

Gary Remondino

Victoria Schlesinger